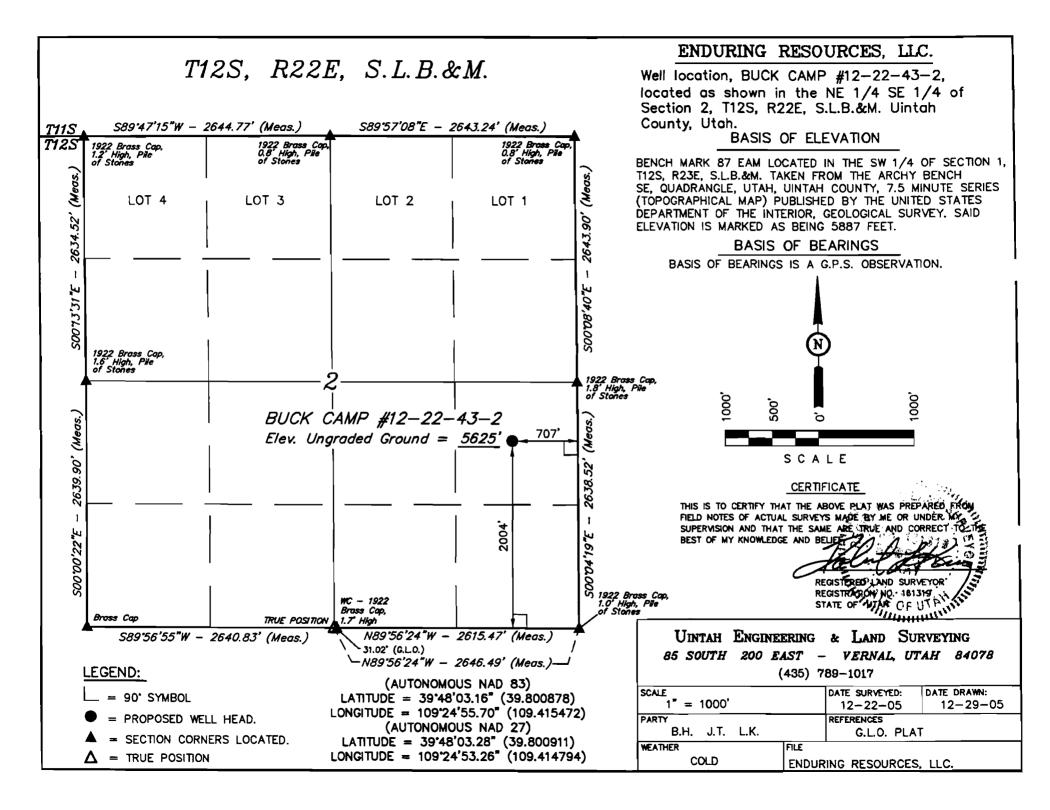
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

| FORM 3 |
|--------|
| |

AMENDED REPORT (highlight changes)

| APPLICATION FOR PERMIT TO DRILL | | | 5. MINERA ML-470 | L LEASE NO: 087 | 6. SURFACE: State | | | |
|--------------------------------------------|--------------------------------------------------------------------|---------------------------|---------------------|--------------------|----------------------------------|---------------------|------------------|---------------|
| 1A. TYPE OF WO | DRK: E | ORILL 🗹 🛛 | EENTER [| DEEPEN | | 7. IF INDIA | N, ALLOTTEE OR | TRIBE NAME: |
| B. TYPE OF WE | ill: OIL 🗌 | GAS 🗹 C | THER | SIN | GLE ZONE 🗹 MULTIPLE ZON | 8. UNIT or | CA AGREEMENT N | IAME: |
| 2. NAME OF OPE | RATOR: | | | | | 9. WELL N | AME and NUMBER | |
| Enduring F | | LLC | | | | | Camp 12-22 | |
| 3. ADDRESS OF 475 17th S | |) _{Silly} Denver | . 81, | STE CO 200 80 | 220 PHONE NUMBER: (303) 350-5114 | | and POOL, OR WII | LDCAT: |
| 4. LOCATION OF | WELL (FOOTAG | ES) | | 35711 X | 39, 800882 | 11. QTR/Q MERIDI | TR, SECTION, TOV | NSHIP, RANGE, |
| AT SURFACE: | 2, PRODUCING ZO | .004' FSL - 70 | 7' FEL | NESI 4406650 | E 160 411122 | NESE | | 22E S |
| | | ECTION FROM NEARI | | | 1 | 12. COUNT | ·V· | 13. STATE: |
| | from Verna | | -51 TOWN OR FC | 551 611162. | | Uintah | | UTAH |
| | | PERTY OR LEASE LIN | IE (FEET) | 16. NUMBER O | F ACRES IN LEASE: | | CRES ASSIGNED | TO THIS WELL: |
| 707' | o nerales i no | | . (* 2217 | 75.11.5 | 640 | | | 40 acres |
| | | L (DRILLING, COMPLE | TED, OR | 19. PROPOSED | DEPTH: | 20. BOND DESCR | PTION: | |
| APPLIED FOR) ON THIS LEASE (FEET) 1000' + | | | | 7,280 | RLB00080 | 31 | | |
| 21. ELEVATIONS | 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 22. APP | | | 22. APPROXIM | ATE DATE WORK WILL START: | 23. ESTIMATED D | URATION: | |
| 5640' KB-RT 4/1/2006 | | | S | 20 days | | | | |
| 24. | | | PROPOS | SED CASING A | ND CEMENTING PROGRAM | | | |
| SIZE OF HOLE | SIZE OF HOLE CASING SIZE, GRADE, AND WEIGHT PER FOOT SETTING DEPTH | | | CEMENT TYPE, QUA | ANTITY, YIELD, AND | SLURRY WEIGHT | | |
| 20" | 14" | line pipe | | 40 | 3 yards | Ready Mix | | |
| 11" | 8-5/8" | J-55 | 24# | 2,000 | Premium Lead | 138 sxs | 3.50 | 11.1 |
| | | | | | Premium Tail | 138 sxs | 1.15 | 15.8 |
| 7-7/8" | 4-1/2" | N-80 | 11.6# | 7,280 | Class G | 58 sxs | 3.3 | 11.0 |
| | | | | | 50/50 Poz Class G | 898 sxs | 1.56 | 14.3 |
| | | NEISEN | | | | _ | | |
| | - C 0 | NHIUEN | HAL | | | | | _ |
| 25. | | | | ATTA | CHMENTS | | | |
| VERIFY THE FOL | LOWING ARE AT | TACHED IN ACCORD | ANCE WITH THE | UTAH OIL AND GAS C | ONSERVATION GENERAL RULES: | | | |
| WELL PL | AT OR MAP PREF | PARED BY LICENSED | SURVEYOR OR E | ENGINEER | COMPLETE DRILLING PLAN | | | |
| Z EVIDENC | E OF DIVISION O | F WATER RIGHTS AF | PROVAL FOR US | E OF WATER | FORM 5, IF OPERATOR IS PE | RSON OR COMPANY | OTHER THAN TH | E LEASE OWNER |
| | | | | | | | | |
| NAME (PLEASE F | PRINT) Alvin F | R. (AI) Arlian | | | _{TITLE} Landman - Re | gulatory Spe | cialist | |
| SIGNATURE | | 20/ | | | 1/26/2006 | | | |
| (This space for Stat | te use only) | | | | | | | |
| | | lo. | | | | _ | COCN/ | =D |
| API NUMBER ASS | SIGNED: | 13-047-3 | 37657 | <u>'</u> | APPROVAL: | H | ECEIVI | =U |
| | | | | | | J | AN 3 0 20 | 106 |



ENDURING RESOURCES, LLC

425 Seventeenth Street, Suite 1500 Denver, Colorado 80202 Telephone: 303-573-1222

Facsimile: 303-573-0461

January 27, 2006

State of Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt lake City, Utah 84114-5801

Attention: Diana Whitney

RE: Application for Permit to Drill

Buck Camp 12-22-43-2

NESE Section 2-T12S-R22E

2,004' FSL - 707' FEL Lease #ML 47087 Uintah County, Utah

Dear Ms. Whitney

Attached are two original applications to drill for the above-referenced proposed well. This well will be drilled on State of Utah lands. A copy of this APD is being sent to SITLA. Access into this section is using an existing County Road.

Enduring Resources, LLC respectfully requests that this information, and future information, be held confidential.

Should you have any questions concerning this matter, please do not hesitate to call (303-350-5114)

Very truly yours

Malle

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian

Landman - Regulatory Specialist

ara/

Attachments as stated:

JAN 3 0 2006

Enduring Resources, LLC Buck Camp 12-22-43-2 NESE Section 2-T12S-R22E 2,004' FSL - 707' FEL Uintah County, Utah

Lease #ML 47087 State

ONSHORE ORDER 1 - DRILLING PLAN

1. <u>Estimated Tops of Geological Markers:</u>

| Formation Depth (K. | |
|---------------------|---------|
| Uinta | Surface |
| Green River | 310′ |
| Wasatch | 2760' |
| Mesaverde | 4930' |

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

| Substance | Formation | Depth (K.B.) |
|-----------|---------------------------|--------------|
| | | |
| | KB-Uinta Elevation: 5640' | |
| Oil / Gas | Green River | 310' |
| Oil /Gas | Wasatch | 2760' |
| Oil /Gas | Mesaverde | 4930' |
| | Estimated TD | 7280' |

An 11" hole will be drilled to approximately 2000 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 3,000 psi casinghead, with 3,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- B. Pressure Rating: 3,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.

D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the annular preventer is initially installed;
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the BOP is initially installed;
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following related repairs; and
- 4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of Onshore Oil & Gas Order Number 2.

4. **Proposed Casing & Cementing Program:**

A. Casing Program: All New

| Hole Size | Casing Size | Wt./Ft. | Grade | Joint | Depth Set |
|-----------|-------------|---------|-------|-------|----------------------|
| | _ | | | | (MD) |
| 20" | 14" O.D. | | | | 40' (GL) |
| 11" | 8-5/8" | 24# | J-55 | ST&C | 0 – 2,016' (KB) est. |
| 7-7/8" | 4-1/2" | 11.6# | N-80 | LT&C | 0 – 7,280' (KB) |

The surface casing will have guide shoe, 1 joint, insert float collar. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

| Depth (MD) | Casing | Collapse(psi)/SF | Burst (psi)/SF | Tension(mlbs)/SF |
|------------|-----------------------------|------------------|----------------|------------------|
| 40' (GL) | 14" OD | | | |
| 2016' (KB) | 8-5/8", 24#/ft, J55, STC | 1370/1.52(a) | 2950/3.28(b) | 244/5.81(c) |
| 7280' (KB) | 4-1/2", 11.6#/ft, N-80, LTC | 6350/1.68 (d) | 7780/2.24 (e) | 223/3.07 (f) |

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

| CASING | SLURRY | FT. of FILL | CEMENT TYPE | sxs | EXCESS (%) | WEIGHT (ppg) | YIELD (ft³/sx) |
|--------|--------|----------------|------------------------------------------------------------|-----|---------------|-----------------|-------------------|
| 8-5/8" | Lead | 1516 | Premium cement + 16% gel + 0.25 pps celloflake | 138 | 25% | 11.1 | 3.50 |
| 8-5/8" | Tail | 500 | Premium cement + 2% CaC ₂ + 0.25 pps celloflake | 138 | 25% | 15.8 | 1.15 |

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 $\rm ft^3/sx$) cement will be premium cement w/ $\rm 3\%~CaCl_2 + 0.25~pps~celloflake$. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

| CASING | SLURRY | FT. of FILL | CEMENT TYPE | SXS | EXCESS (%) | WEIGHT (ppg) | YIELD (ft ³ /sx) |
|--------|---------|----------------|-------------------------------------------------------------------|------------|---------------|-----------------|--------------------------------|
| 8-5/8" | Lead | 500 | Premium cement + 2% CaCl ₂ + 0.25 pps celloflake | 138 | 25 | 15.8 | 1.15 |
| 8-5/8" | Top job | As req. | Premium cement + 3% CaCl ₂ + 0.25 pps celloflake | As Req. | | 15.8 | 1.15 |

Production Casing and Liner - Cemented TD to 300' above base of surface casing

| CASING | SLURRY | FT. | CEMENT TYPE | SXS | EXCESS | WEIGHT | YIELD |
|--------|--------|------|---------------------------------------------------------------------------------------------------------------------|-----|--------|--------|-----------------------|
| | | of | | | (%) | (ppg) | (ft ³ /sx) |
| | | FILL | | | | | |
| 4-1/2" | Lead | 664 | Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender | 58 | 25 | 11.0 | 3.3 |
| 4-1/2" | Tail | 4920 | 50/50 POZ Class G + 2% gel +1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam | 898 | 25 | 14.3 | 1.56 |

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of surface casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

| Interval | Mud Weight | Fluid Loss | Viscosity | Mud Type |
|------------------------|------------|------------|-----------|-----------|
| (MD) | | | | |
| <u>0' –</u> 2016' (KB) | | No cntrl | | Air/mist |
| 2000'-3000' (KB) | 8.4-8.6 | No cntrl | 28-36 | Water |
| 3000'-7280' (KB) | 8.8-9.8 | 8 - 10 ml | 32-42 | Water/Gel |

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. <u>Evaluation Program:</u>

Tests: No tests are currently planned.

<u>Coring:</u> No cores are currently planned.

Samples: No sampling is currently planned.

Logging

- Dual Induction SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML TD to Base Surface Casing
- Cement Bond Log / Gamma Ray:
 TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. <u>Abnormal Conditions:</u>

No abnormal temperatures or pressures are anticipated. No H_2S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 3,786 psi (calculated at 0.52 psi/foot of hole) and maximum anticipated surface pressure equals approximately 2,184 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. Anticipated Starting Dates:

• Anticipated Commencement Date- Within one year of APD issue.

Drilling Days Approximately 10 days

Completion Days - Approximately 10 days

Anticipate location construction within 30 days of permit issue.

9. Variances:

None anticipated

10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Single Shot directional surveys will be dropped every 2000 feet to monitor hole angle.

ENDURING RESOURCES, LLC. BUCK CAMP #12-22-43-2 SECTION 2, T12S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88: EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, SOUTHEASTERLY. THEN SOUTHWESTERLY APPROXIMATELY 11.2 MILES ALONG THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY, THEN SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 7.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #12-22-34-2 TO THE SOUTHEAST: FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FORT EH #12-22-42-2 TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY. THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 71.0 MILES.

Enduring Resources, LLC
Buck Camp 12-22-43-2
NESE Section 2-T12S-R22E
2,004' FSL - 707' FEL
Uintah County, Utah

Lease #ML 47087 State of Utah (SITLA)

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the Buck Camp 12-22-43-2 Well:

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88: EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY. THEN SOUTHWESTERLY APPROXIMATELY 11.2 MILES ALONG THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY. THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH: TURN LEFT AND PROCEED IN A SOUTHERLY. THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY. THEN NORTHEASTERLY. THEN SOUTHEASTERLY. THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 7.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #12-22-34-2 TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FORT EH #12-22-42-2 TO THE EAST: FOLLOW ROAD FLAGS IN AN EASTERLY. THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST: FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 71.00 MILES.

2. Planned Access Roads:

The proposed access road will be approximately 528' feet of new construction all onlease.

ALL NEW CONSTRUCTION IS ON SITLA LANDS. The balance of the ON-LEASE road is an existing Class D County Road. However, this County Road Class D Road will be improved to meet SITLA (and DOG&M) requirements, if needed. Please refer to Topo Map "B" for the takeoff point for the new road construction and the Class D County Road that will be improved.

No off-lease access road right-of-way is needed.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provided a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. <u>Location of Existing Wells within a One-Mile radius (See "Topo" Map "C"</u> attached):

The following wells are wells located within a one (1) mile or greater radius of the proposed location.

a. None: Water Wells:

b. None: Injection Wells:

c. (2): Producing Wells:

i. Buck Camp 2-2, NWNE Sec. 2-12S-22E

ii. Buck Camp 7-2, SWNE Sec 2-12S-22E

d. None: Drilling Wells:

e. None: Shut-in Wells:

f. None: Temporarily Abandoned Wells:

g. None: Disposal Wells:

h. None: Abandoned Wells:

i. None: Dry Holes:

j. None: Observation Wells:

k. Various: Pending (staked) Wells:

. Various wells staked by Enduring in Sec. 2-10S-23E

4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Dark Olive Black. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline for this well will be:

420' 4" Surface Pipeline On-Lease SITLA -0- Off-Lease N/A

A 4" steel surface gas gathering pipeline is currently being planned from Buck Camp 12-22-42-2 Well that this well's pipeline will tie-in to, if that well is drilled first. However, if this well is drilled first then this 4" steel surface pipeline will continue along the access road approximately ½ mile to a tie-in point into an existing 4" surface pipeline presently being constructed along the County Case D Road.

If this well is capable of economic production, a 4" steel surface gas gathering line and related equipment shall be installed. The surface gas gathering line shall be in use year round. A total of approximately less than 420 feet of surface gas gathering pipeline shall be laid on the surface to minimize surface disturbance:

The proposed pipeline will begin at the well site; and be laid on the surface next to the new access road (northwesterly) to tie-in to the proposed pipeline to the Buck Camp 22-22-42-2 Well, then continue along that part of the access road to the County Case D Road along which a 4" steel surface pipeline is being constructed to Canvon Gas...

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. **Location and Type of Water Supply:**

Whenever feasible, water for drilling shall be acquired from Enduring Water User Claim 49-2215, Application #T76132., or if that source is not feasible, then by Target Trucking Water User Claim #43-2195, or by Dalbo Inc. Water User Claim #43-8496.

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

Source of Construction Materials: 6

Surface and subsoil materials in the immediate area will be utilized fro location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit well be constructed on the location and will not be located within natural drainage, where a flood hazard exits or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, brake or allow discharge of liquids.

The reserve pit will be lined with ¼ felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash well be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8. Ancillary Facilities:

During drilling operations, approximately 20 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:

Producing Location:

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.

- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

To be provided by the SITLA.

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: SITLA

Access: SITLA

Pipeline: SITLA

12. Other Information

On-site Inspection for Location, Access and Pipeline Route:

The on-site will be scheduled by SITLA and DOG&M.

Special Conditions of Approval:

- Tanks and Production Equipment shall be painted Dark Olive Black.
- Surface Gathering Pipeline shall be 4" or less.

Archeology:

a. A Cultural Resource Inventory Report is pending and to be prepared by Montgomery Archaeological Consultants.

Paleontology:

a. A Paleontology Reconnaissance Report is pending and to be prepared by Intermountain Paleo-Consulting.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

13, <u>Lessee's or Operator's Representatives:</u>

Representatives:

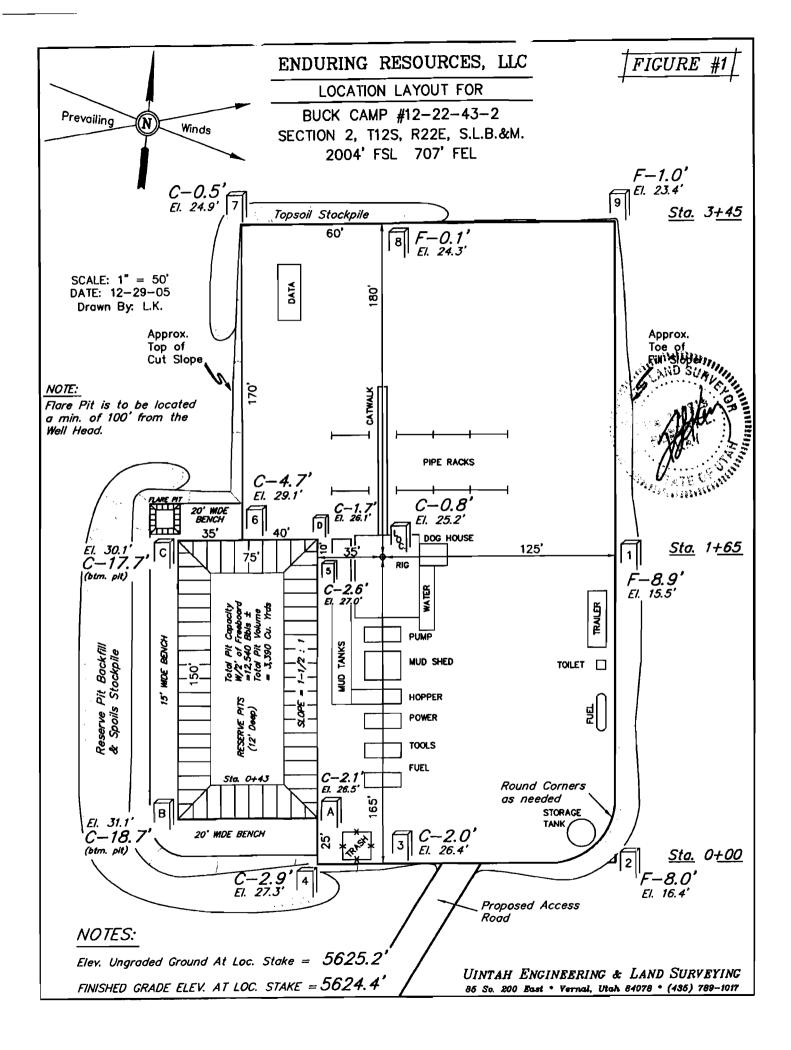
Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461

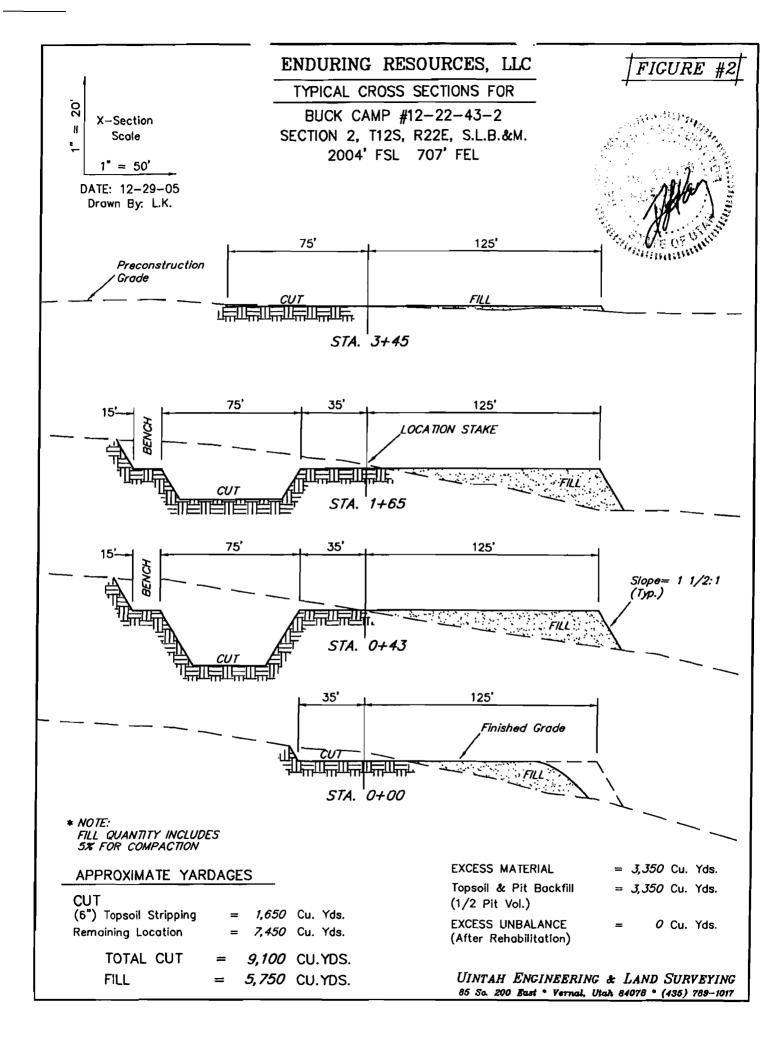
aarlian@enduringresources.com

Frank Hutto Vice President – Operations Enduring Resources, LLC 475 17th Street, Suite 1500 Denver, Colorado 80202 Office Tel: 303-573-5102

Fax Tel: 303-573-0461

fhutto@enduringresources.com





ENDURING RESOURCES, LLC. BUCK CAMP #12-22-43-2 LOCATED IN UINTAH COUNTY, UTAH

SECTION 2, T12S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: EASTERLY

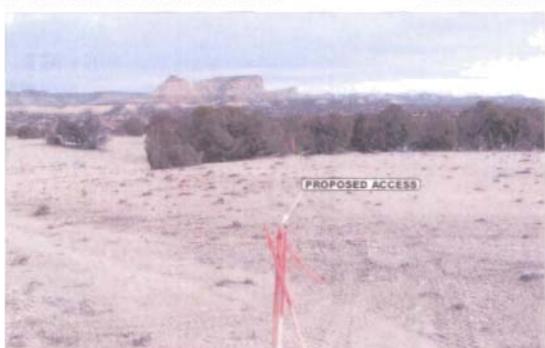


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



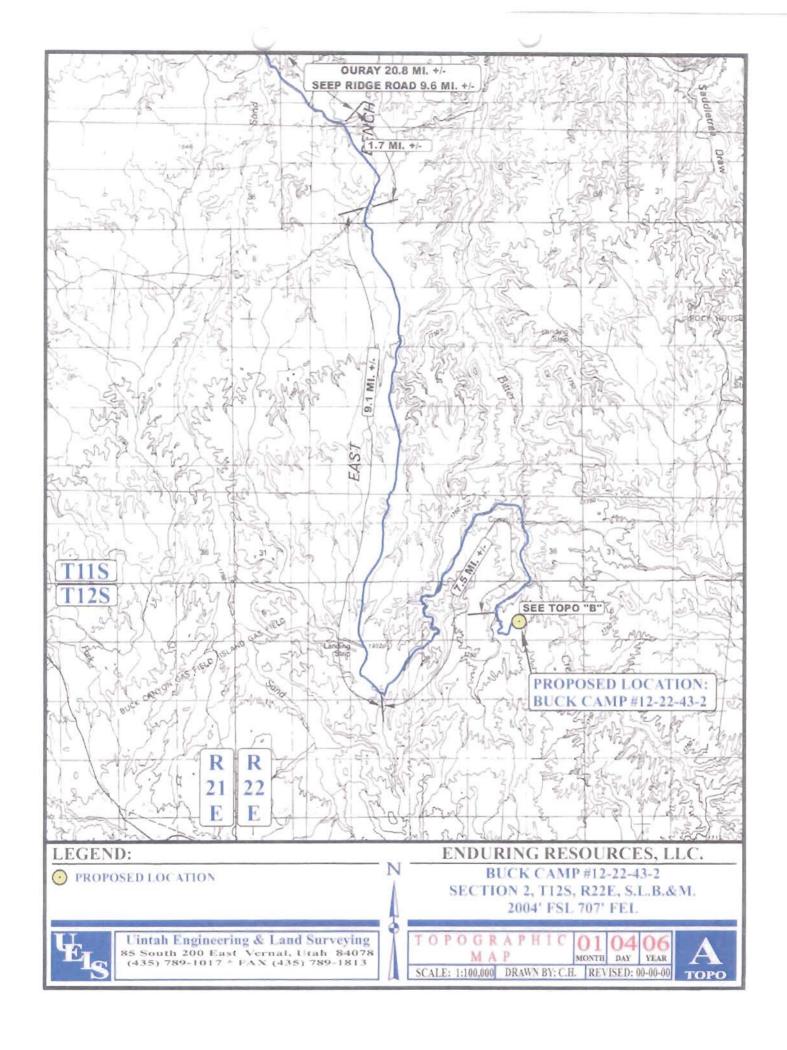
Uintah Engineering & Land Surveying

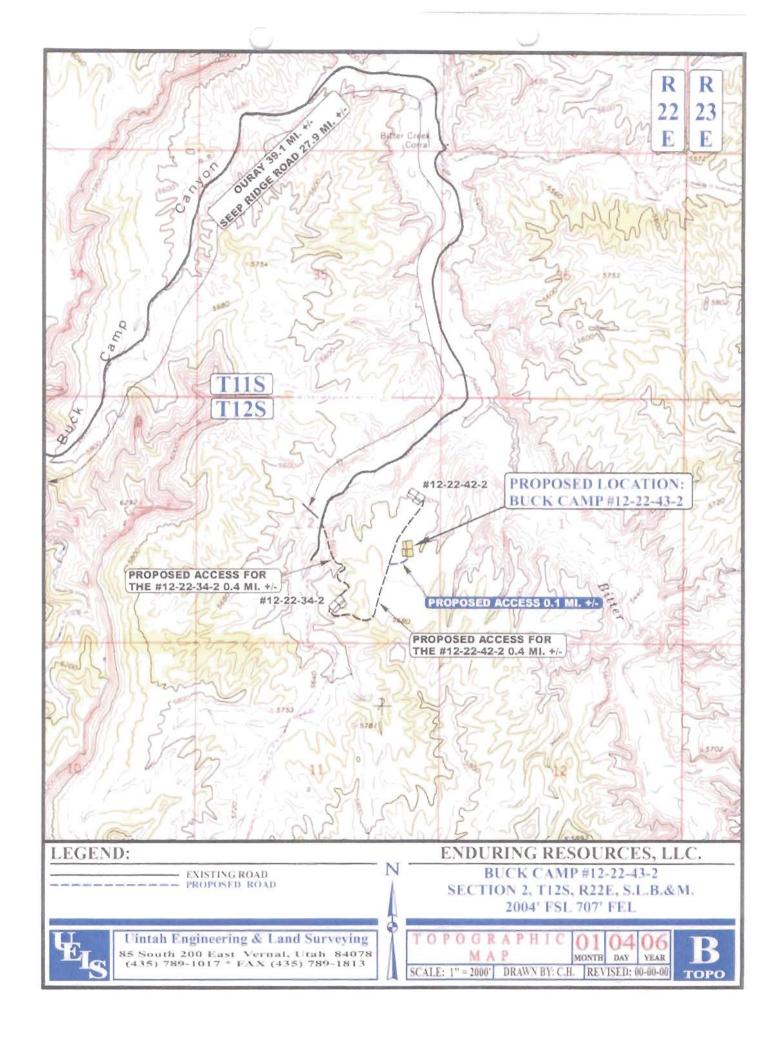
85 South 200 East Vernal, Utah 84078 435-789-1017 uelsäguelsine com

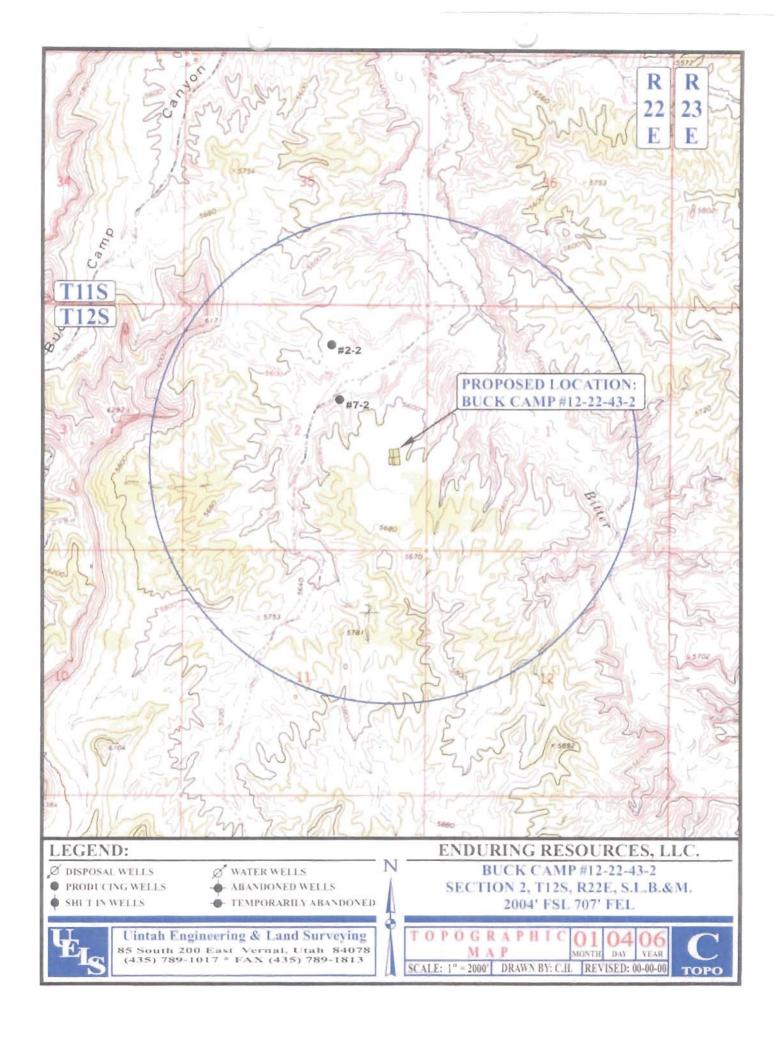
LOCATION PHOTOS

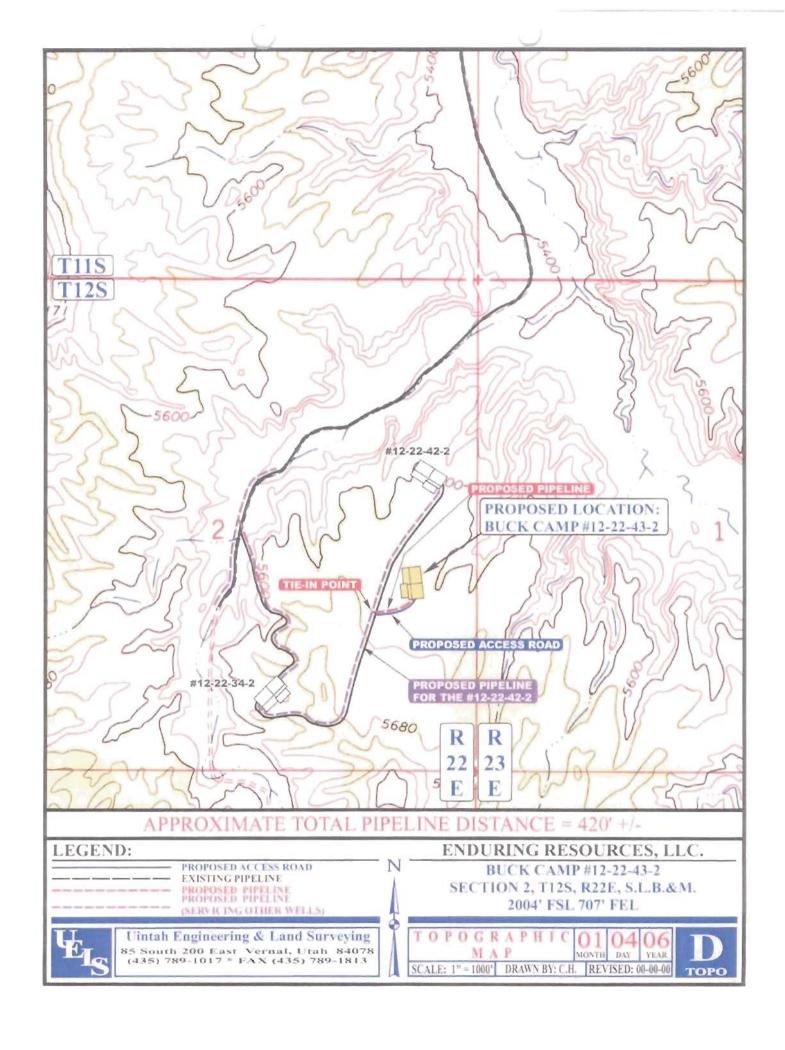
01 04 06 Риото MONTH DAY YEAR

TAKEN BY: B.H. | DRAWN BY: C.H. | REVISED: 00-00-00

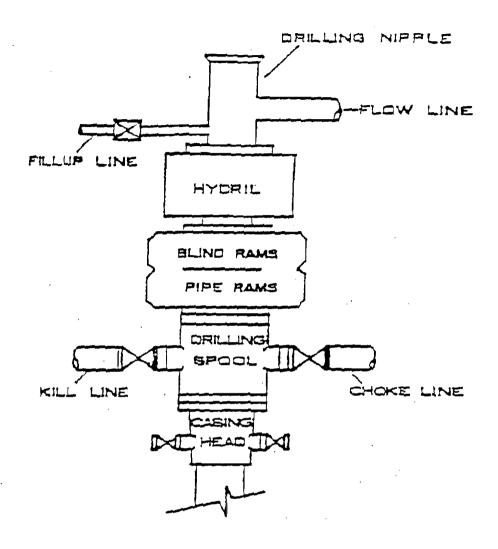


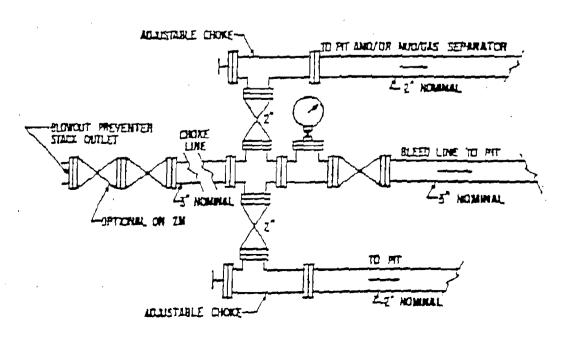






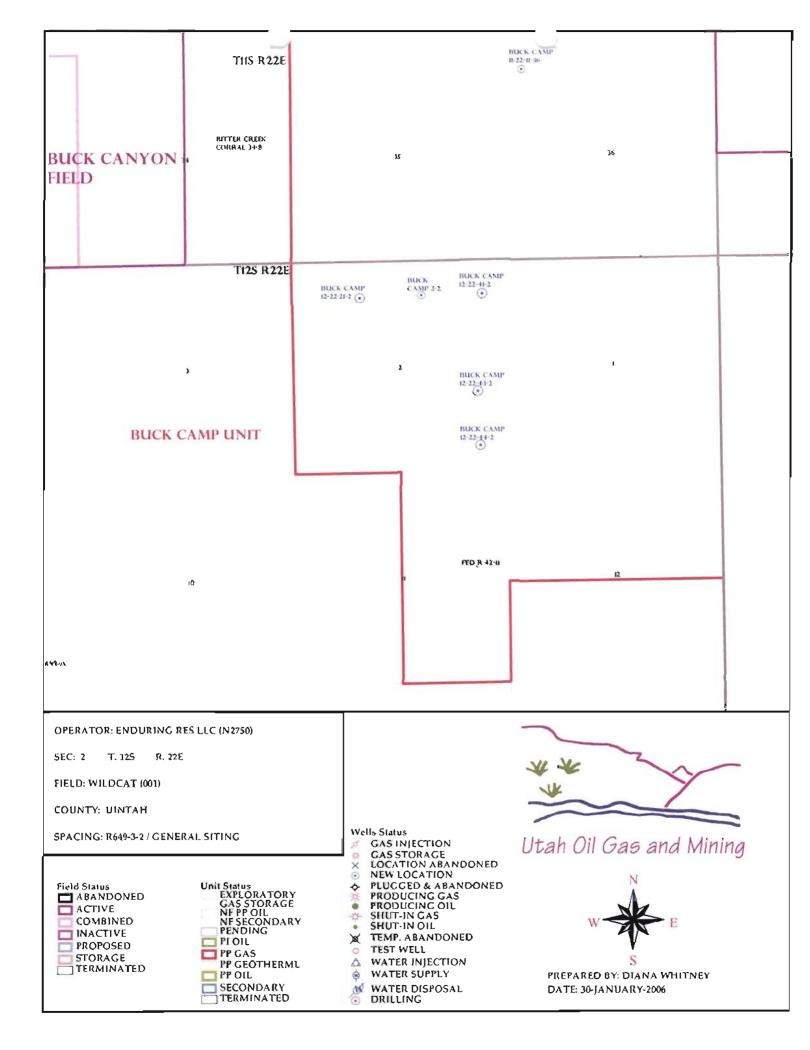
EOP STACK





WORKSHEET APPLICATION FOR PERMIT TO DRILL

| APD RECEIVED: 01/30/2006 | API NO. ASSIGNED: 43-047-37657 | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------|---------|
| WELL NAME: BUCK CAMP 12-22-43-2 OPERATOR: ENDURING RESOURCES, LLC (N2750) CONTACT: AL ARLIAN | • | PHONE NUMBER: | 303-350-511 | .4 |
| PROPOSED LOCATION: | | INSPECT LOCATN | BY: / | / |
| NESE 02 120S 220E SURFACE: 2004 FSL 0707 FEL | | Tech Review | Initials | Date |
| BOTTOM: 2004 FSL 0707 FEL | | Engineering | OKO | 2/17/06 |
| COUNTY: UINTAH | | Geology | | |
| LATITUDE: 39.80088 LONGITUDE: -109.4148 UTM SURF EASTINGS: 635711 NORTHINGS: 4406 | 550 | Surface | | |
| FIELD NAME: WILDCAT (1 LEASE TYPE: 3 - State LEASE NUMBER: ML-47087 SURFACE OWNER: 3 - State | } | PROPOSED FORMAT | | ם |
| Plat Bond: Fed[] Ind[] Sta[] Fee[] (No | Re Unit: | ON AND SITING: 649-2-3. 649-3-2. Generaliting: 460 From Ot 649-3-3. Except rilling Unit Board Cause No: Eff Date: Siting: | r/Qtr & 920' E | |
| stipulations: Space of Ship Stipulations Ship Ship Stipulations Ship Ship | _ | | | |



DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

| OPERATOR: | ENDURING RESOURCES, LLC | |
|--------------------------------|----------------------------------------------------------------------------------------|--|
| VELL NAME & NUMBER: | Buck Camp 12-22-34-2 | |
| API NUMBER: | 43-047-37675 | |
| OCATION: 1/4,1/4 <u>SW/SE</u> | Sec: <u>2 TWP</u> : <u>12S</u> RNG : <u>22E</u> <u>821'</u> FSL <u>2179</u> FEL | |
| | | |

Geology/Ground Water:

Enduring proposes to set 2,000 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 3,500 feet. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the proposed location. The well is approximately .75 miles from the proposed location. The well is owned by the BLM and no depth is listed. The surface formation at this location is the Uinta/Green River Formation transition. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The Green River Formation is made up of interbedded limestones, shales and sandstones. Fresh water aquifers can be found in the Green River Formation and should be protected. The proposed surface casing should adequately protect any potentially useable aquifers.

| Reviewer: | Brad Hill | Date : 02-16-06 |
|-----------|-----------|------------------------|
| | | |

Surface:

The predrill investigation of the surface was performed on 02/08/2006. The State of Utah (SITLA) owns both the surface and minerals of this location. Mr. Ed Bonner and Jim Davis of SITLA and Ben Williams of the Utah Division of Wildlife Resources were invited to the presite. Both Mr. Williams and Mr. Bonner attended. Mr. Williams representing the UDWR stated the area is classified as critical value winter habitat for deer and high value winter elk habitat. He explained how the areas are classified and recommended to Mr. Bonner and Mr. Hammond they limit their activity from Nov. 15 thru March 15 to protect wintering values for deer. This activity would include road and pad construction, drilling and work-over rigs. Mr. Williams gave Mr. Hammond and Mr. Bonner copies of his wildlife investigation report and a recommended seed mix to use when the site is revegetated. The selected location appears to be the best site for constructing a pad and drilling and operating a well in the immediate area. No significant stability problems are anticipated. This predrill investigation was conducted on a cold sunny day.

| Reviewer: | Flov | /d Bartlett | Date: | 02/13/2006 | |
|-----------|------|-------------|-------|------------|--|
| | | | | | |

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION Division of Oil, Gas and Mining

OPERATOR: ENDURING RESOURCES, LLC

WELL NAME & NUMBER: Buck Camp 12-22-43-2

API NUMBER: 43-047-37657

LEASE: ML-47087 **FIELD/UNIT:** Undesignated

LOCATION: 1/4,1/4 NE/SE Sec: 2 TWP: 12S RNG: 22E 2004' FSL 707 FEL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 635711 E 4406651 N SURFACE OWNER: State of Utah-SITLA

PARTICIPANTS

Floyd Bartlett (DOGM), Douglas Hammond (Enduring Resources), Larry Rowell (Ponderosa Construction), Brandon Bowthorpe and Matt Cook (Uintah Engineering and Land Surveying), Paul Yoder (Westrock Oil Field Services), Ben Williams (Utah Division of Wildlife Resources, Edward Bonner (SITLA)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The proposed Buck Camp 12-22-43-2 well lies on a somewhat flat sloping slightly to the north toward Bitter Creek. A small draw is located to the west.

The main Bitter Creek is approximately 1 1/4 mile to the east of the proposed location. The drainages in the area as well as this portion of Bitter Creek are ephemeral only flowing during spring runoff and intense summer rainstorms. The White River is approximately 11 miles downstream to the north.

The location is approximately 23 miles south west of Bonanza Ut, and approximately 70 miles southwest of Vernal, UT. Access from Ouray, UT is by State Highway then Uintah County roads 38 miles to the Biter Creek Corrals. Then following a oil field development road south about 2 miles up the bottom of Bitter Creek to where a new road approximately 0.8 miles in length is proposed to the location. This road climbs out of the bottom onto the side slope to the planned location. It will also serve at least 2 other proposed wells.

Topography in the general area is broad canyon bottoms separated by steep and often ledgey side-slopes, which top out onto broad ridge tops. Frequent outwash plains and deposits occur along the sides of the major bottoms. Bitter Creek is a broad somewhat gentle alluvial wash, which is dry except for spring runoff and sometimes-intense summer rainstorms.

SURFACE USE PLAN

CURRENT SURFACE USE: Domestic sheep grazing, wildlife and hunting.

PROPOSED SURFACE DISTURBANCE: 0.8 miles of new access road and construction of a well location 345'x 200' plus a reserve pit and soil stockpile storage outside the described area.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: See attached map from GIS database.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well.

Approximately 2050 feet of pipeline will follow access road south and east to a tie in point.

SOURCE OF CONSTRUCTION MATERIAL: <u>All construction material will be</u> borrowed from site during construction of location.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? EXPLAIN: Unlikely, oilfield activity is common in the area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None.

FLORA/FAUNA: Poorly vegetated pinion-juniper site with Mtn. Mahogany and bud sage.

<u>Domestic</u> sheep, pronghorn, rodents, songbirds, raptors, elk, deer, bobcat, coyote.

SOIL TYPE AND CHARACTERISTICS: Shaley sandy loam with no surface bedrock outcrops.

EROSION/SEDIMENTATION/STABILITY: Light natural erosion is occurring on the site. One small drainage will be intercepted by the proposed. It will be diverted to the north around the location through a culvert at the access road. No stability problems are anticipated with the construction and operation of the location.

PALEONTOLOGICAL POTENTIAL: none observed.

RESERVE PIT

CHARACTERISTICS: 150' by 75' and 12' deep. The reserve pit is planned in an area of cut on the south west corner of the location. No stabilization problems are expected.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Sensitivity score is 20 and a rating Level II.

SURFACE RESTORATION/RECLAMATION PLAN

As per landowner agreement with SITLA.

SURFACE AGREEMENT: SITLA

CULTURAL RESOURCES/ARCHAEOLOGY: A survey was completed on 1-6-06 and will be forwarded to SITLA.

OTHER OBSERVATIONS/COMMENTS

Ben Williams representing the UDWR stated the area is classified as high value winter habitat for elk and critical value winter deer habitat. He explained how the areas are classified and recommended to Mr. Bonner and Mr. Hammond they limit their activity from Nov. 15 thru March 15 to protect wintering values for deer. This activity would include road and pad construction, drilling and work-over rigs. Mr. Williams gave both Mr. Hammond and Mr. Bonner copies of his wildlife investigation report and a recommended seed mix to use when the site is revegetated.

Jim Davis and Ed Bonner of SITLA were invited to the presite by email on 01/31/2006. Mr. Bonner meet us for this investigation.

This predrill investigation was conducted on a cold sunny day.

ATTACHMENTS

Photos of site have been taken and placed on file.

Floyd Bartlett
DOGM REPRESENTATIVE

0<u>2/08/2005 2:45 PM</u>
DATE/TIME

b..dluation Ranking Criteria and Ranking ... ore For Reserve and Onsite Pit Liner Requirements

| Site-Specific Factors | Ranking | Site Ranking |
|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------|
| Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area | 0 5 10 15 20 | |
| Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100 | 0 2 10 15 20 | 0 |
| Distance to Nearest Municipal Well (feet) | 0 5 10 20 | 0 |
| Distance to Other Wells (feet) >1320 300 to 1320 <300 | 0 10 20 | 0 |
| Native Soil Type Low permeability Mod. permeability High permeability | 0 10 20 | <u>10</u> |
| Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents | 0 5 10 15 | 5 |
| Drill Cuttings Normal Rock Salt or detrimental | 0 10 | 0 |
| Annual Precipitation (inches) <10 10 to 20 >20 | 0 5 10 | 5 |
| Affected Populations <10 10 to 30 30 to 50 >50 | 0 6 8 10 | 0 |
| Presence of Nearby Utility Conduits Not Present Unknown Present | 0 10 15 | 0 |

Sensitivity Level 1 = 20 or more; total containment is required.

_______(Level II Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.

Final Score

STATE ACTIONS

Resource Development Coordinating Committee Governor's Office of Planning and Budget

5110 State Office Building SLC. UT 84114

| , | UT 84114 No. 537-9230 |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| 1. State Agency | 2. Approximate date project will start: |
| Oil, Gas and Mining | |
| 1594 West North Temple, Suite 1210 | Upon Approval or February 13, 2006 |
| Salt Lake City, UT 84114-5801 | |
| 3. Title of proposed action: | |
| Application for Permit to Drill | |
| 4. Description of Project: | |
| T . | · |
| 5. Location and detailed map of land affected (si | ite location map required, electronic GIS map |
| preferred) | |
| (include UTM coordinates where possible) (indi | ♥ * |
| 2004' FSL 707' FEL, NE | |
| 6. Possible significant impacts likely to occur: | ange 22 East, Uintah County, Utah |
| | surface disturbance during the drilling and completion |
| | l and gas in commercial quantities is discovered, the |
| - | ance of between one and two acres – not including |
| | or gas is discovered, the location will be completely |
| reclaimed. | or gas to account and to autom with our compresses, |
| 7. Identify local government affected | |
| a. Has the government been contacted? No |). |
| b. When? | |
| c. What was the response? | |
| d. If no response, how is the local governmen | nt(s) likely to be impacted? |
| 8. For acquisitions of land or interests in land by representative and state senator for the project a | - · · · · · · · · · · · · · · · · · · · |
| representative, state senator near project site, if | <u> -</u> |
| a. Has the representative and senator been co | |
| 9. Areawide clearinghouse(s) receiving state acti | on: (to be sent out by agency in block 1) |
| Uintah Basin Association of Governme | |
| 10. For further information, contact: | 11. Signature and title of authorized officer |
| | Still of |
| Diana Whitney | Gil Hunt, Associate Director |
| Diana Williney | Data January 20, 2006 |

January 30, 2006

Date:

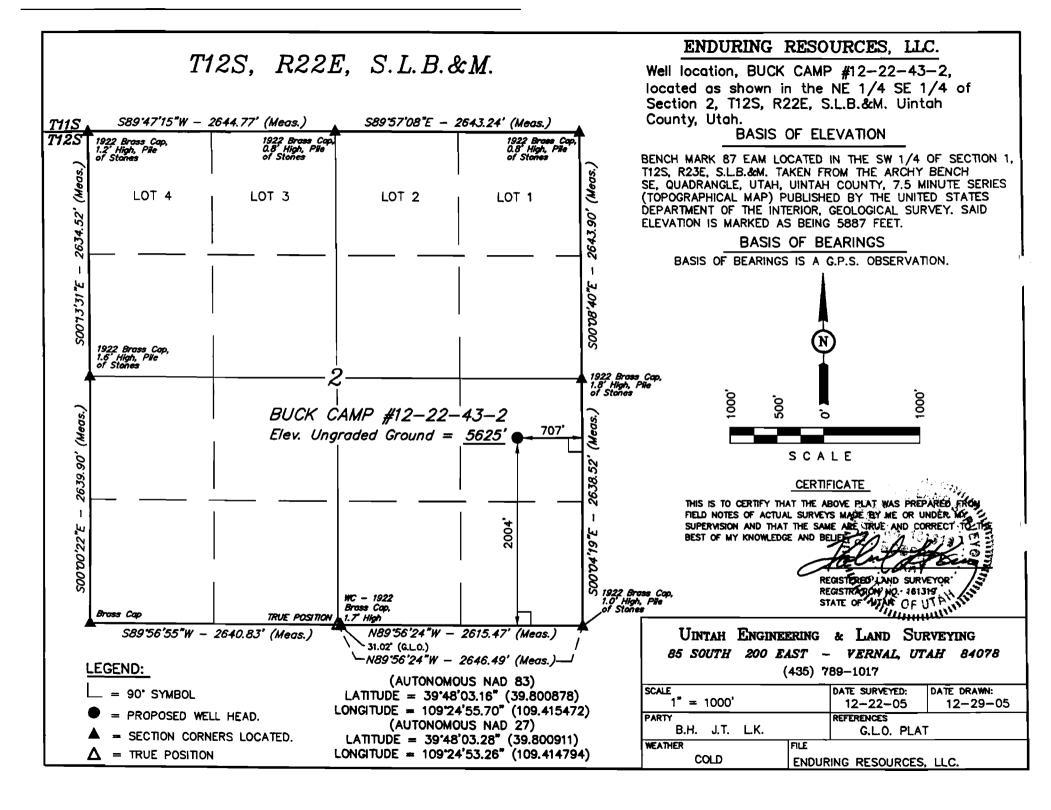
Phone: (801) 538-5312

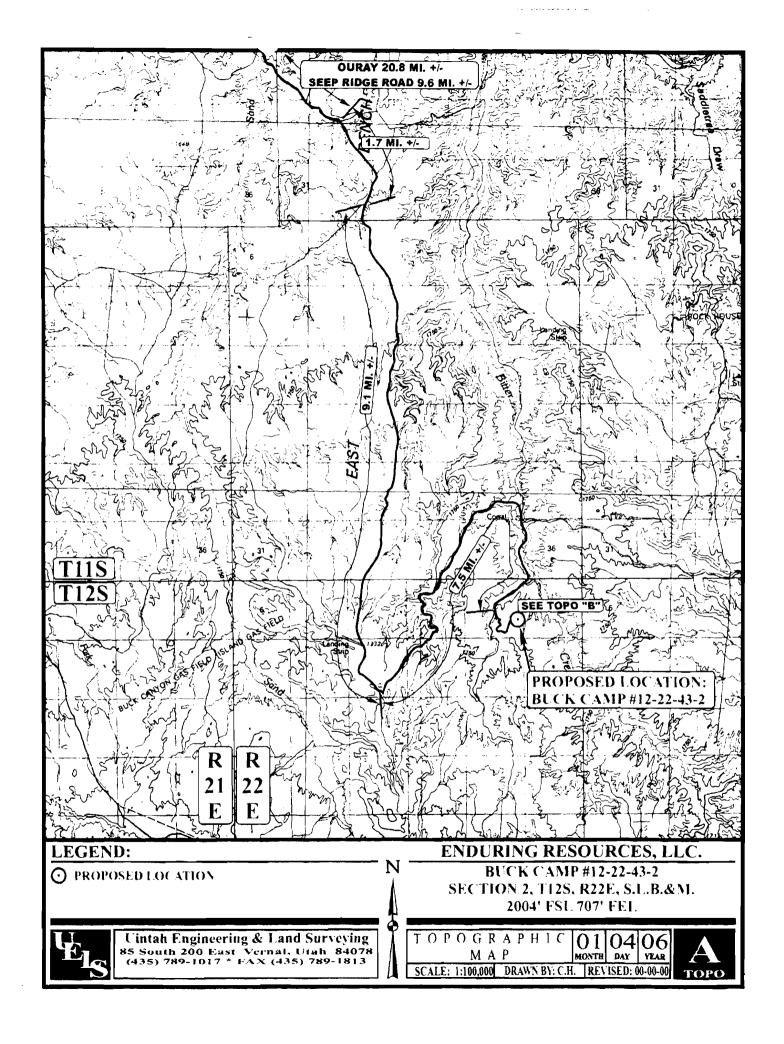
STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

| FORM 3 | | | |
|--------|---|----|----|
| | - | | • |
| | | RM | ٠. |

AMENDED REPORT

| | | | | | , | | (highlight c | changes) |
|--------------------------------------------|-------------------|----------------|---------------------------------------------------------------------|--------------------|------------------------------|--------------------------|-----------------|----------------------|
| | A | PPLICA | TION FOR | PERMIT TO | DRILL | 5. MINERAL LE ML-4708 | _ 1. | s. surface: State |
| 1A. TYPE OF WORK: DRILL REENTER DEEPEN | | | | | | 7. IF INDIAN, A | LLOTTEE OR TRI | BE NAME: |
| B. TYPE OF WE | ELL: OIL | gas 🗹 | OTHER | SIN | GLE ZONE 🛮 MULTIPLE ZO | NE 8. UNIT or CA | AGREEMENT NAM | ME: |
| 2. NAME OF OPE | | | | | | | and NUMBER: | |
| | Resources, L | LC _ | | | L DUONE NUMBER | | mp 12-22-4 | |
| 3. ADDRESS OF 475 17th S | t., Ste 1500 | Denv | er | NTE CO ZIE 80 | PHONE NUMBER: (303) 350-5114 | | POOL, OR WILDS | CAT: |
| | F WELL (FOOTAGES | | 1.4 | 26711V | | | SECTION, TOWNS | |
| AT SURFACE: | 2.0 | 04' FSL - 7 | '07' FEL | 35711 X NESI | <u>.</u> | I | | 22E S |
| AT PROPOSE | D PRODUCING ZON | E: | | 4406650 | -100 U111791 | NESE | 2 123 | 22E 3 |
| 14. DISTANCE IN | N MILES AND DIREC | TION FROM NEA | REST TOWN OR PO | OST OFFICE: | | 12. COUNTY: | 1 | 3. STATE: UTAH |
| 71 miles | from Vernal, | Utah | | | | Uintah | | UIAN |
| 15. DISTANCE T | O NEAREST PROPE | ERTY OR LEASE | LINE (FEET) | 16. NUMBER O | FACRES IN LEASE: | 17. NUMBER OF ACR | ES ASSIGNED TO | THIS WELL: |
| 707' | | | | | 640 |) | | 40 acres |
| | O NEAREST WELL | | PLETED, OR | 19. PROPOSED | DEPTH: | 20. BOND DESCRIPTI | ON: | |
| APPLIED FOR) ON THIS LEASE (FEET) 1000' + | | | | 7,280 | RLB000803 | 1 | | |
| | | | ATE DATE WORK WILL START: | 23. ESTIMATED DURA | ATION: | | | |
| 5640' KB-RT 4/1/2006 | | | <u> </u> | 20 days | | | | |
| 24. | | | PROPOS | SED CASING A | ND CEMENTING PROGRAM | I | | |
| SIZE OF HOLE | CASING SIZE, C | GRADE, AND WER | GHT PER FOOT | SETTING DEPTH | CEMENT TYPE, Q | UANTITY, YIELD, AND SLI | JRRY WEIGHT | |
| 20" | 14" | line pipe | | 40 | 3 yards | Ready Mix | | |
| 11" | 8-5/8" | J-55 | 24# | 2,000 | Premium Lead | 138 sxs | 3.50 | 11.1 |
| | | | | | Premium Tail | 138 sxs | 1.15 | 15.8 |
| 7-7/8" | 4-1/2" | N-80 | 11.6# | 7,280 | Class G | 58 sxs | 3.3 | 11.0 |
| | | | | | 50/50 Poz Class G | 898 sxs | 1.56 | 14.3 |
| | | | | | | | | |
| | | 1FIDE | LIALTA | | _ | _ | | |
| 25. | 001 | II IDL. | | ATTA | CHMENTS | | | |
| VERIFY THE FO | LLOWING ARE ATT | ACHED IN ACCO | RDANCE WITH THE | UTAH OIL AND GAS C | ONSERVATION GENERAL RULES: | | | |
| ✓ WELL PL | AT OR MAP PREPA | RED BY LICENSI | ED SURVEYOR OR I | FNGINEER | COMPLETE DRILLING PLAN | 1 | | |
| | | | FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER | | | | | |
| ✓ EVIDEN | CE OF DIVISION OF | WATER RIGHTS | APPROVAL FOR US | SE OF WATER | FORM 5, IF OPERATOR IS F | PERSON OR COMPANY O | THER THAN THE L | LEASE OWNER |
| | Al-2- D | (AI) A-1! | | | Londman D | a mulatar . Specia | liet | |
| NAME (PLEASE | PRINT) Alvin R | . (Al) Afilar | | | TITLE Landman - R | egulatory Specia | inst | |
| SIGNATURE | | 200/ | | | DATE | | | |
| (This space for Str | ate use only) | | | | | | | |
| | , 1 | o | | _ | | DE | CEIVE | ח |
| API NUMBER AS | SSIGNED: 4 | <u>5-047</u> | 3765 | <u></u> | APPROVAL: | ME | | J. |
| | | | | | | JA | N 3 0 200 | 16 |





Project Number: <u>6176</u> Sponsor: Division of Oil, Gas and Mining

SLB&M: Sec. 2, T12S, R22E Counties Affected: Uintah

Description: Application for Permit to Drill - proposal to drill a wildcat well the Buck

Camp 12-22-43-2

Comments:

Well and site must be drilled and managed to prevent degradation of water quality through measures to limit erosion, limit stormwater runoff, and limit pollutant loading to stormwater runoff.

- 1- Wellpad placement or expansion disturbs soils. Vegetative and/or structural measures to control erosion should be implemented within 60 days of initial soil disturbance to prevent erosion leaving the site from exceeding the tolerable rate as determined by the local office of USDA/NRCS.
- 2- If vegetation surrounding the wellpad does not provide at least 60% ground cover within 60 days of creating the wellpad, engineering practices should be implemented within those 60 days to control erosion. Such engineering measures may include mulching, use of fiber mats, cross slope trenching, contour furrows, rock dams, terracing or such other erosion control practices as are required to prevent erosion from exceeding the tolerable rate.
- 3- No disturbance or degradation to or of surrounding or nearby soils, native or beneficial vegetation, or riparian areas should be permitted.
- 4- In addition, no spills nor runoff of chemicals including hydrocarbons, lubricants, salt water, antifreeze, or other potentially damaging materials should be permitted.

From:

Robert Clark Whitney, Diana

To: Date:

2/7/2006 8:31:42 AM

Subject:

RDCC short turn around response

The following comments are submitted directly to DOG&M due to their short turn around status.

The following comments are submitted for:

RDCC #6174 Permit to drill Buck Camp 12-22-44-2 RDCC #6175 Permit to drill Buck Camp 12-22-41-2 RDCC #6176 Permit to drill Buck Camp 12-22-43-2

The same comments pertain to all three projects.

Comments begin: The proposed wildcat well drilling project in Uintah County may require a permit, known as an Approval Order, from the Utah Division of Air Quality. If any compressor stations are constructed at the site, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed project is also subject to Utah Air Quality Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm . Comments end.

Robert Clark Division of Air Quality 536-4435

CC:

Mcneill, Dave; Wright, Carolyn

MEMORANDUM

DATE:

February 7, 2006

TO:

Utah Division of Oil, Gas and Mining

FROM:

Utah Geological Survey, Ground-Water and Paleontology Program

SUBJECT:

UGS comments on RDCC Short Turn Around items 6174, 6175, and

6176.

CC:

Resource Development Coordination Committee

6174. Division of Oil, Gas and Mining

Short Turn Around Drilling Permit

Sec. 2, T12S, R22E, Uintah County

Application for Permit to Drill - proposal to drill a wildcat well the Buck Camp 12-22-44-2 on a State lease ML-47087

Although there are no paleontological localities recorded in our files for this project area, the Eocene Uinta Formation that is exposed here has the potential for yielding significant vertebrate paleontological localities. The office of the State Paleontologist therefore recommends that a paleontological evaluation be conducted for this project.

6175. Division of Oil, Gas and Mining

Short Turn Around Drilling Permit

Sec. 2, T12S, R22E, Uintah County

Application for Permit to Drill - proposal to drill a wildcat well the Buck Camp 12-22-41-2 on a State lease ML-47087

Although there are no paleontological localities recorded in our files for this project area, the Eocene Uinta Formation that is exposed here has the potential for yielding significant vertebrate paleontological localities. The office of the State Paleontologist therefore recommends that a paleontological evaluation be conducted for this project.

6176. Division of Oil, Gas and Mining

Short Turn Around Drilling Permit

Sec. 2, T12S, R22E, Uintah County

Application for Permit to Drill - proposal to drill a wildcat well the Buck Camp 12-22-43-2 on a State lease ML-47087

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MEMORANDUM

DATE:

February 7, 2006

TO:

Utah Division of Oil, Gas and Mining

FROM:

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6176. Division of Oil, Gas and Mining

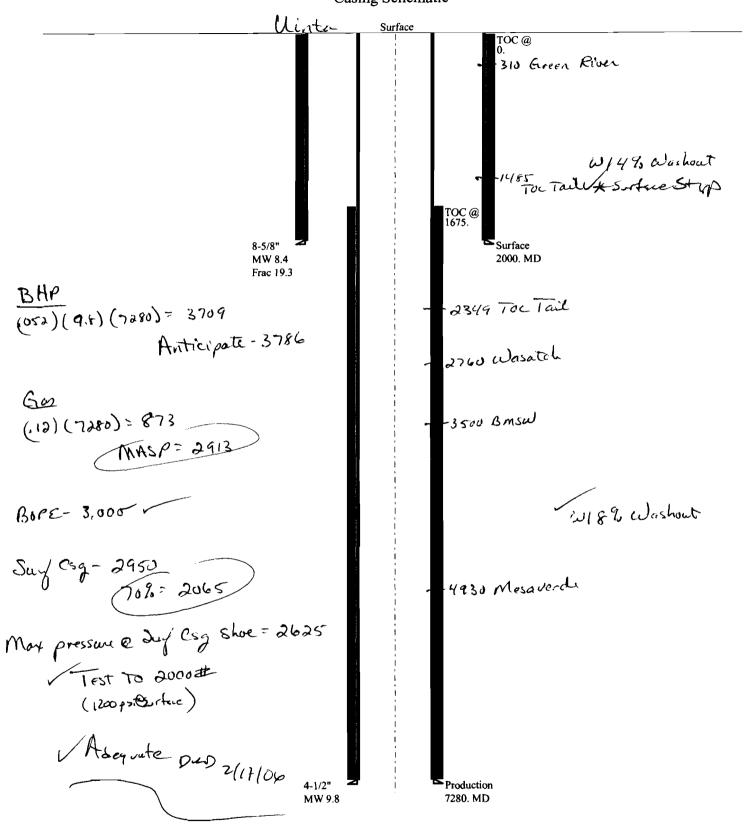
Short Turn Around Drilling Permit

Sec. 2, T12S, R22E, Uintah County

Application for Permit to Drill - proposal to drill a wildcat well the Buck Camp 12-22-43-2 on a State lease ML-47087

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J2-06 Enduring Buck Camp 1 2 22-43-2 Casing Schematic



02-06 Enduring Buck Camp 12-22-43-2 Well name:

Enduring Resources, LLC Operator:

Surface String type: Project ID: 43-047-37657

Uintah County Location:

Design parameters: Minimum design factors: **Environment:**

H2S considered? Collapse Collapse: No 65 °F Mud weight: 8.400 ppg Design factor 1.125 Surface temperature:

93 °F Design is based on evacuated pipe. Bottom hole temperature: Temperature gradient: 1.40 °F/100ft

Minimum section length: 250 ft

Burst: 1.00

0 ft Design factor Cement top: **Burst**

Max anticipated surface

pressure: 1,760 psi Internal gradient: 0.120 psi/ft **Tension:** Non-directional string. Calculated BHP 8 Round STC: 1.80 (J)

2,000 psi 8 Round LTC: 1.80 (J) No backup mud specified. **Buttress:** 1.60 (J)

Premium: 1.50 (J) 1.50 (B) Body yield: Re subsequent strings:

Next setting depth: Tension is based on buoyed weight.

7.280 ft Next mud weight: 9.800 ppg 1,748 ft 3,706 psi Neutral point: Next setting BHP: Fracture mud wt: 19.250 ppg Fracture depth: 2,000 ft 2,000 psi Injection pressure

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|------------|---------------------------|-------------------------------|-------------------------------|------------------------|----------------------------|----------------------------|---------------------------|-------------------------------|-------------------------------|
| 1 | 2000 | 8.625 | 24.00 | J-55 | ST&C | 2000 | 2000 | 7.972 | 96.3 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 873 | 1370 | 1.570 | 2000 | 2950 | 1.47 | 42 | 244 | 5.82 J |

Clinton Dworshak Prepared Utah Div. of Oil & Mining by:

Phone: 801-538-5280 FAX: 810-359-3940

Date: February 17,2006 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

02-06 Enduring Buck Camp 12-22-43-2 Well name:

Enduring Resources, LLC Operator:

Production String type: Project ID: 43-047-37657

Uintah County Location:

Design parameters:

Minimum design factors: **Environment:**

Collapse Mud weight: 9.800 ppg Design is based on evacuated pipe.

Collapse: H2S considered? No Design factor 1.125 Surface temperature: 65 °F 167 °F

Bottom hole temperature: 1.40 °F/100ft Temperature gradient:

Minimum section length: 1,500 ft

Non-directional string.

Burst:

1.00 Design factor Cement top: 1.675 ft

Burst

Max anticipated surface

pressure: 2,833 psi Internal gradient: 0.120 psi/ft Calculated BHP 3,706 psi

No backup mud specified.

Tension: 8 Round STC:

1.80 (J) 1.80 (J) 8 Round LTC: 1.60 (J) **Buttress:** 1.50 (J) Premium: Body yield: 1.50 (B)

Tension is based on buoyed weight. Neutral point: 6,214 ft

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|------------|---------------------------|-------------------------------|-------------------------------|------------------------|----------------------------|----------------------------|---------------------------|-------------------------------|-------------------------------|
| 1 | 7280 | 4.5 | 11.60 | N-80 | LT&C | 7280 | 7280 | 3.875 | 168.8 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 3706 | 6350 | 1.713 | 3706 | 7780 | 2.10 | ` 7 2 ´ | ` 223´ | 3.09 J |

Clinton Dworshak Prepared Utah Div. of Oil & Mining Phone: 801-538-5280 FAX: 810-359-3940

Date: February 17,2006 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7280 ft, a mud weight of 9.8 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

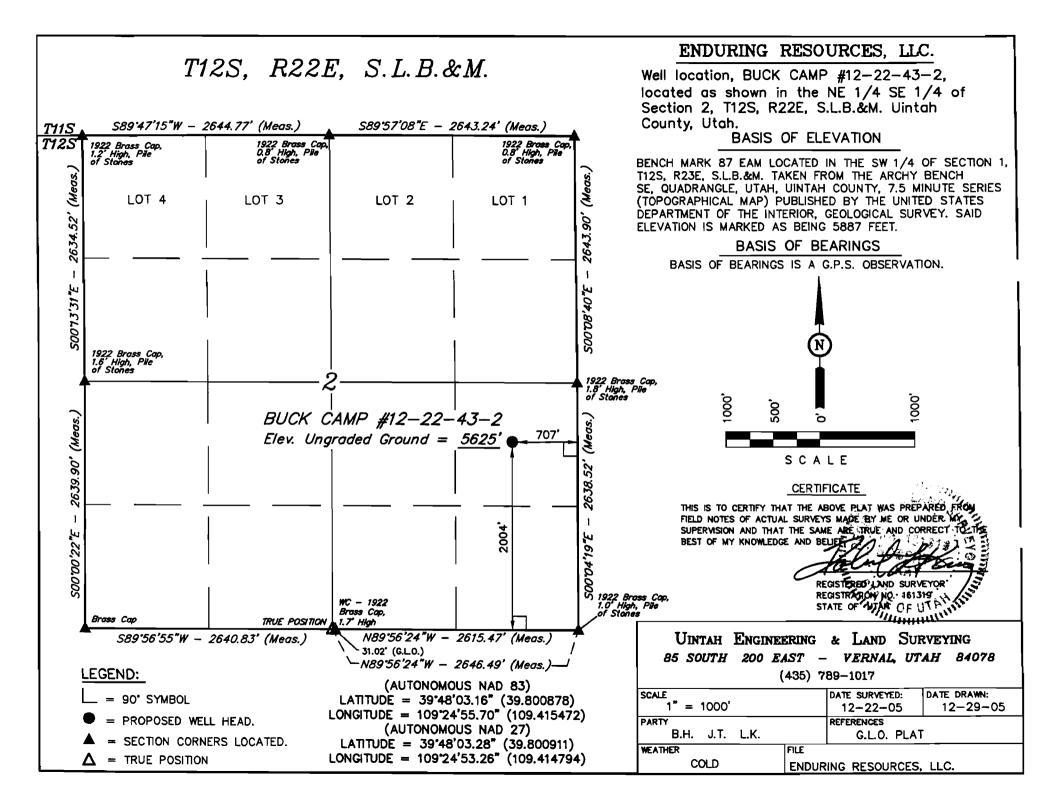
| AMENDED REPORT | |
|---------------------|--|
| (highlight changes) | |

| | | APPLICAT | ION FOR | PERMIT TO | DRILL | | NERAL LEASE NO: -47087 | 6. SURFACE: State |
|------------------------------------------------------------------|-----------------|----------------------|---------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|----------------------|
| 1A. TYPE OF WO | DRK: [| ORILL 🔽 F | REENTER [| DEEPEN | | 7. 1F I | INDIAN, ALLOTTEE OR | TRIBE NAME: |
| B. TYPE OF WE | ill: OIL | GAS 🗹 C | THER | SIN | GLE ZONE 🚺 MULTIPLE ZON | E | IIT or CA AGREEMENT | NAME: |
| 2. NAME OF OPE | RATOR: | | | | | 9. WE | ELL NAME and NUMBER | |
| Enduring R | | LLC | | | | | ck Camp 12-2: | |
| 3. ADDRESS OF | | | _ | | PHONE NUMBER: | | IELD AND POOL, OR W | |
| 475 17th S | | · · | • 55 e | _, CO _ _{2,8} 80 | 220 (303) 350-5114 | < ∪ n | designate d | Wide of |
| 4. LOCATION OF | WELL (FOOTAG | ES) | lo3 | 35711X | 39,800882 | | TR/QTR, SECTION, TO ERIDIAN: | WNSHIP, RANGE, |
| AT SURFACE: | 2, | ,004' FSL - 70 | 7' FEL 🥈 ` | NESI | | NE. | | S 22E S |
| AT PROPOSED | PRODUCING ZO | DNE: | SAME | 440660 | Y 709,414776 | "- | | 5 222 0 |
| 14. DISTANCE IN | MILES AND DIR | ECTION FROM NEAR | EST TOWN OR PO | OST OFFICE: | , | 12. C | OUNTY: | 13. STATE: |
| 71 miles | from Verna | ıl, Utah | | | | Uir | ntah | UTAH |
| | | PERTY OR LEASE LIN | NE (FEET) | 16. NUMBER O | F ACRES IN LEASE: | 17. NUMBER | OF ACRES ASSIGNED | TO THIS WELL: |
| 707' | | | , , | | 640 | | | 40 acres |
| | O NEADEST WE | L (DRILLING, COMPL | ETED OP | 19. PROPOSED | | 20. BOND DE | SCRIPTION: | |
| APPLIED FOR | R) ON THIS LEAS | | LILD, OK | 19. FROFOSED | | | | |
| 1000' + | | | | | 7,280 | RLB00 | | |
| | • | ER DF, RT, GR, ETC.) | | | ATE DATE WORK WILL START: | | ED DURATION: | |
| 5640' K | (B-RT | | | 4/1/2006 | 5 | 20 days | S | |
| 24. | | | PROPOS | SED CASING A | ND CEMENTING PROGRAM | | | |
| SIZE OF HOLE | CASING SIZE, | , GRADE, AND WEIGH | IT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUA | ANTITY, YIELD, | AND SLURRY WEIGHT | _ |
| 20" | 14" | line pipe | | 40 | 3 yards | Ready Mi | x | |
| 11" | 8-5/8" | J-55 | 24# | 2,000 | Premium Lead | 138 sx: | s 3.50 |) 11.1 |
| | | | | | Premium Tail | 138 sx: | s 1.15 | 5 15.8 |
| 7-7/8" | 4-1/2" | N-80 | 11.6# | 7,280 | Class G | 58 sx: | s 3.3 | 11.0 |
| | | | | | 50/50 Poz Class G | 898 sx | s 1.56 | 14.3 |
| | | | | | | | | |
| | L:U | NEIDEN | HALL | | | | | |
| 2 5. | .00 | 111110 | • • • • • • • • • • • • • • • • • • • • | ATTA | CHMENTS | | | |
| VERIFY THE FOL | LOWING ARE AT | TACHED IN ACCORD | ANCE WITH THE I | JTAH OIL AND GAS C | ONSERVATION GENERAL RULES: | | | |
| ✓ WELL PL | AT OR MAP PREF | PARED BY LICENSED | SURVEYOR OR E | NGINEER | COMPLETE DRILLING PLAN | | | |
| ✓ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | | | FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER | | | | | |
| ✓ EVIDENC | E OF DIVISION O | F WATER RIGHTS AF | PROVAL FOR US | E OF WATER | FORM 5, IF OPERATOR IS PER | RSON OR COM | PANY OTHER THAN TE | HE LEASE OWNER |
| | | | | | | | | |
| NAME (PLEASE F | PRINT) Alvin F | R. (AI) Arlian | - | | _{TITLE} Landman - Re | gulatory S | Specialist | |
| SIGNATURE | | M | | | DATE 1/26/2006 | | | |
| (This space for Stat | te use only) | | | | | | | |
| API NUMBER ASS | SIGNED: | B-047-3 | 37657 | en e | Approved by the Utah Division of Dil, Gas and Mining | ere de la companya de | RECEIV | |

(11/2001)

DIV. OF OIL, GAS & MINING

JAN 3 0 2006



From:

Ed Bonner

To:

Whitney, Diana

5/8/2006 12:36:16 PM

Date: Subject:

Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

```
Enduring Resources, LLC
   Buck Camp 11-22-13-36
   Buck Camp 11-22-14-36
   Buck Camp 11-22-21-36
   Buck Camp 11-22-22-36
   Buck Camp 11-22-23-36
   Buck Camp 11-22-24-36
   Buck Camp 12-22-11-2
   Buck Camp 12-22-13-2
   Buck Camp 12-22-21-2
   Buck Camp 12-22-24-2
  Buck Camp 12-22-34-2
   Buck Camp 12-22-41-2
                          (1 significant site which must be avoided)
  Buck Camp 12-22-42-2
  Buck Camp 12-22-43-2
  Buck Camp 12-22-44-2
Kerr McGee Oil & Gas Onshore LP
  NBU 922-32E
  NBU 922-32H
  NBU 922-32D
  NBU 922-32J3
  NBU 922-32O2
  NBU 922-32J1
Westport Oil & Gas Company
  NBU 922-32N
Tidewater Oil & Gas Company
  Tidewater State 23-1
  Tidewater State 23-2
                        (1 significant site which must be avoided)
  Tidewater State 23-5
```

If you have any questions regarding this matter please give me a call.

Tidewater State 32-3

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

May 8, 2006

Enduring Resources, LLC 475 17th St., Ste. 1500 Denver, CO 80202

Re: Buck Camp 12-22-43-2 Well, 2004' FSL, 707' FEL, NE SE, Sec. 2, T. 12 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37657.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc: Uintah County Assessor

SITLA

| Operator: | Enduring Resources, LLC | |
|--------------------|-------------------------|--|
| Well Name & Number | Buck Camp 12-22-43-2 | |
| API Number: | 43-047-37657 | |
| Lease: | ML-47087 | |
| | | |

Location: NE SE

Sec. 2

T. 12 South

R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 7. Surface casing shall be cemented to the surface.
- 8. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

| DIVISION OF OIL, GAS AND MINING | 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47087 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, of drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 7. UNIT or CA AGREEMENT NAME: n/a |
| 1. TYPE OF WELL OIL WELL GAS WELL . OTHER | 8. WELL NAME and NUMBER: Buck Camp 12-22-43-2 |
| 2. NAME OF OPERATOR: | 9. API NUMBER: |
| Enduring Resources, LLC 3. ADDRESS OF OPERATOR: PHONE NUMBER: | 4304737657 10. FIELD AND POOL, OR WILDCAT: |
| 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202 (303) 350-5719 | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 2004' FSL - 707' FEL | county: Uintah |
| | |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 2 12S 22E S | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, RE | EPORT, OR OTHER DATA |
| TYPE OF SUBMISSION TYPE OF ACTION | |
| ✓ NOTICE OF INTENT ☐ ACIDIZE ☐ DEEPEN | REPERFORATE CURRENT FORMATION |
| (Submit in Duplicate) ALTER CASING FRACTURE TREAT | SIDETRACK TO REPAIR WELL |
| Approximate date work will start: CASING REPAIR NEW CONSTRUCTION | TEMPORARILY ABANDON |
| CHANGE TO PREVIOUS PLANS OPERATOR CHANGE | TUBING REPAIR |
| CHANGE TUBING PLUG AND ABANDON | VENT OR FLARE |
| SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only) | WATER DISPOSAL |
| Date of work completion: CHANGE WELL STATUS PRODUCTION (START/RESUME) | WATER SHUT-OFF |
| COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE | ✓ other: Request for APD |
| CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMA | Extension |
| DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, Enduring Resources, LLC respectfully request an extension to the expiration date of FROM: 5/3/2008 | |
| FROM: 5/3/2008 TO: 5/3/2009 Approved by the Utah Division of Oil, Gas and Mining | |
| COPY SENT TO OPERATOR Date: Date: | |
| Date: <u>6 · 6 · 2008</u> Initials: <u>V5</u> | |
| | |
| NAME (PLEASE PRINT) Alvin R. (AI) Arlian TITLE Landman - F | Regulatory Specialist |
| SIGNATURE | |

(This space for State use only)

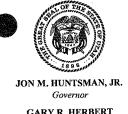
RECEIVED MAY 0 5 2008



Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

| API: 4304737657 Well Name: Buck Camp 12-22-43-2 Location: 2004' FSL - 707' FEL, NESE, Sec 2, T12S-R22E Company Permit Issued to: Enduring Resources, LLC Date Original Permit Issued: 5/8/2006 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. |
| Following is a checklist of some items related to the application, which should be verified. |
| If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes□No□ |
| Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑ |
| Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑ |
| Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes□No ☑ |
| Has the approved source of water for drilling changed? Yes□No☑ |
| Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑ |
| Is bonding still in place, which covers this proposed well? Yes ☑ No ☐ |
| 4/30/2008 Date |
| Signature |
| Title: Landman - Regulatory Specialist |
| Representing: Enduring Resources, LLC |



GARY R. HERBERT Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

May 14, 2009

Enduring Resources, LLC 475 17TH Street, Suite 1500 Denver, CO 80202

Re:

APD Rescinded – Buck Camp 12-22-43-2, Sec. 2, T.12S, R.22E

Uintah County, Utah API No. 43-047-37657

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 8, 2006. On May 3, 2007 and on May 5, 2008 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 14, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Environmental Scientist

cc:

Well File

Ed Bonner, SITLA

